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Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC
and for the Estate of Bernard L. Madoff*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

Adv. Pro. No. 08-01789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation
of Bernard L. Madoff Investment Securities LLC,

Plaintiff,

v.

L RAGS, INC.,

Defendants.

Adv. Pro. No. 10-04936 (SMB)

**STIPULATION AND ORDER FOR VOLUNTARY DISMISSAL OF ADVERSARY
PROCEEDING WITHOUT PREJUDICE**

Irving H. Picard (the “Trustee”), as trustee for the liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.* (“SIPA”), and the substantively consolidated estate of Bernard L. Madoff individually (“Madoff”), by and through his counsel, Baker & Hostetler LLP, and defendant L Rags, Inc. (“Defendant”), and with the Trustee, the “Parties”, by and through their counsel, hereby stipulate and agree to the following:

1. On December 2, 2010, the Trustee commenced this adversary proceeding against Defendant.
2. On January 21, 2015, the Parties entered into a settlement agreement pursuant to the Settlement Procedures Order, entered by this Court on November 12, 2010 [Dkt. No. 3181] (the “Settlement Agreement”).
3. Under the Settlement Agreement, Defendant will make installment payments to the Trustee and will execute a Stipulation for Entry of Judgment, as security for the installment payments, which will be held in escrow by Trustee and not filed unless there is a default in the installment payments which remains uncured after ten (10) business days’ notice of default to Defendant and its counsel.
4. In accordance with Federal Rule of Bankruptcy Procedure 7041(a)(1)(ii), and Federal Rule of Civil Procedure 41(a)(1), the Parties hereby stipulate to a dismissal without prejudice of the Trustee’s claims against Defendant in the above-captioned adversary proceeding and dismissing the adversary proceeding, subject to the right of Trustee to move *ex parte* to re-open this adversary proceeding in the event of an uncured default in the installment payments to seek entry of Judgment pursuant to the Stipulation for Entry of Judgment.

5. The provisions of this Stipulation shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns and upon all creditors and parties of interest.

6. This Stipulation may be signed by the Parties in any number of counterparts, each of which when so signed shall be an original, but all of which shall together constitute one and the same instrument. A signed facsimile, photostatic or electronic copy of this Stipulation shall be deemed an original.

Dated: March 2, 2015

BAKER & HOSTETLER LLP

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Attorneys for Defendant

SO ORDERED

Dated: March 2nd, 2015

/s/ STUART M. BERNSTEIN
HONORABLE STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE